

4.4 WTO

| Institutional Factor | Description | Real World Example/comment |
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| Key objectives + functions | <ul style="list-style-type: none"> a) Administering WTO trade agreements. b) Providing forum for trade negotiations. c) managing trade disputes. d) Monitoring Members' trade policies. e) Providing technical assistance and training to developing and least developed economies. | <p>C) On 11 April 2019, the WTO adopted its final compliance report in the Boeing dispute, confirming that U.S. subsidies to Boeing continue to cause significant harm to Airbus, including lost sales.</p> |
| Problems and issues facing the WTO | <ul style="list-style-type: none"> 1. WTO members do not have equal bargaining power 2. Agriculture protections locking out exports from poor south to rich north. Problems exist with nations making trade agreements outside of the WTO. Therefore WTO cannot regulate or play a role in solving disputes. 3. Services (banking, insurance, education, technology) 4. Environmental issues e.g. WTO not addressing producers/countries with low environmental standards 5. Labour issues e.g. child labour | <ul style="list-style-type: none"> 3. Sept 12, 2019. PARIS (Reuters) - Google agreed to pay close to 1 billion euros (\$1.10 billion) to French authorities to settle a fiscal fraud probe concerning services provided in France but taxed in Ireland. The settlement comprises a fine of 500 million euros and additional taxes of 465 million euros, Google said in a statement. 5. child labour in cocoa industry: https://www.theguardian.com/global-development/2021/feb/12/mars-nestle-and-hershey-to-face-landmark-child-slavery-lawsuit-in-us |
| Aims of the WTO | <ul style="list-style-type: none"> 1. Non – discrimination in trade 2. More open trade (free trade concept, a market based solution to economic growth and development) 3. ‘fair’ competition e.g. avoiding export subsidies that undercut competitors 4. Support for developing nations (75% of members of WTO are developing nations) 5. Environmental protection | <ul style="list-style-type: none"> 1. Is this possible? France vs Australia in recent dispute regarding submarine project worth billions of euro as contract given to US as part of a pacific alliance vs China. 2. Free trade? Markets endure constant interference from government and international trade disputes are common nowadays 3. ‘fair’ competition. 4. However the developing nations cannot access the rich markets of the noerth that are heavily protected with tariffs and quotas. 5. WTO and Paris agreement. Role for WTO is limited here unless member nations support the need for environmental protections e.g. controlling plastic waste disposal in our oceans and the damage to coral reefs worldwide |